

By: Vasut

H.B. No. 3473

A BILL TO BE ENTITLED

AN ACT

relating to the electronic payment of ad valorem taxes; authorizing  
a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 31.06, Tax Code, is amended by amending  
Subsections (a) and (c) and adding Subsection (a-1) to read as  
follows:

(a) In this section, "electronic payment" has the meaning  
assigned by Section 31.062.

(a-1) Except as provided by Section 31.061, taxes are  
payable only as provided by this section. Except as provided by  
Subsection (e), a collector shall accept United States currency or  
a check or money order in payment of taxes and shall accept any form  
of electronic payment of taxes made in the manner provided by  
Section 31.062 [~~payment by credit card or electronic funds  
transfer~~].

(c) If a tax is paid by an electronic payment [~~credit card~~],  
the collector may collect a fee for processing the payment. The  
collector shall set the fee in an amount that is reasonably related  
to the expense incurred by the collector or taxing unit in  
processing the payment [~~by credit card~~], not to exceed five percent  
of the amount of taxes and any penalties or interest being paid.  
The fee is in addition to the amount of taxes, penalties, or  
interest.

1 SECTION 2. Chapter 31, Tax Code, is amended by adding  
2 Section 31.062 to read as follows:

3 Sec. 31.062. ELECTRONIC TAX PAYMENTS. (a) In this section,  
4 "electronic payment" means a payment made by credit card, debit  
5 card, electronic check, electronic funds transfer, or automated  
6 clearinghouse payment.

7 (b) Each collector shall establish a procedure that allows a  
8 property owner or a person designated by a property owner under  
9 Section 1.111(f) to make any form of electronic payment of taxes and  
10 receive confirmation of the submission of an electronic payment.

11 (c) Each county assessor-collector shall prominently  
12 display on the Internet website maintained by the county under  
13 Section 26.16 the information necessary to make an electronic  
14 payment of taxes to the collector for each taxing unit all or part  
15 of the territory of which is located in the county.

16 (d) If necessary to complete the applicable form of  
17 electronic payment, a collector may require a property owner or a  
18 person designated by a property owner under Section 1.111(f) to  
19 provide:

20 (1) an e-mail address;

21 (2) a financial account number;

22 (3) sufficient electronic remittance information for  
23 the collector to apply an electronic payment to the property  
24 owner's account; and

25 (4) any other information the collector determines is  
26 necessary to properly receive, process, and confirm the receipt of  
27 an electronic payment made by the property owner or the person

1 designated by the owner.

2 (e) An electronic payment of taxes by a property owner or a  
3 person designated by a property owner under Section 1.111(f) to a  
4 collector is timely if the payment is made in the proper manner on  
5 or before the date on which the payment is due.

6 (f) An electronic signature that is included on or with an  
7 electronic payment of taxes made under this section is considered  
8 to be a digital signature for purposes of Section 2054.060,  
9 Government Code, and that section applies to the electronic  
10 signature.

11 SECTION 3. Section 33.011(h), Tax Code, is amended to read  
12 as follows:

13 (h) The governing body of a taxing unit shall waive  
14 penalties and interest on a delinquent tax if[+

15 ~~(1) the tax is payable by electronic funds transfer~~  
16 ~~under an agreement entered into under Section 31.06(a); and~~

17 ~~(2)]~~ the taxpayer submits evidence sufficient to show  
18 that:

19 (1) [(A)] the taxpayer attempted to pay the tax by  
20 electronic payment under Section 31.062 [funds transfer] in the  
21 proper manner before the delinquency date;

22 (2) [(B)] the taxpayer's failure to pay the tax before  
23 the delinquency date was caused by an error in the transmission of  
24 the payment [funds]; and

25 (3) [(C)] the tax was properly paid by electronic  
26 payment [funds transfer] or otherwise not later than the 21st day  
27 after the date the taxpayer knew or should have known of the

1 delinquency.

2           SECTION 4. The changes in law made by this Act apply only to  
3 a tax year that begins on or after the effective date of this Act.

4           SECTION 5. (a) The officer or employee responsible for  
5 collecting property taxes for a taxing unit located wholly or  
6 primarily in a county with a population of 120,000 or more shall  
7 comply with Section 31.062, Tax Code, as added by this Act,  
8 beginning with the 2026 tax year.

9           (b) The officer or employee responsible for collecting  
10 property taxes for a taxing unit located wholly or primarily in a  
11 county with a population of less than 120,000 shall comply with  
12 Section 31.062, Tax Code, as added by this Act, beginning with the  
13 2027 tax year.

14           SECTION 6. This Act takes effect January 1, 2026.